# U.S. DEPARTMENT OF STATE Office of the Spokesman

#### ON-THE-RECORD BRIEFING

## Assistant Secretary for Near Eastern Affairs C. David Welch

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(2:25 p.m. EDT)

**MR. MCCORMACK:** Assistant Secretary David Welch is down here to talk to you a little bit about the President's speech, answer any questions that you may have that arise from that speech. The briefing is on the record, so I will turn it over to David.

**ASSISSTANT SECRETARY WELCH:** Thank you, Mr. McCormack. How's everybody today? So far so good. Well, I'll try and improve on your day.

Okay. I hope by now everybody has -- if not -- if you haven't seen the President's remarks on TV, you may have had a chance to read parts of them. So let me just make a few introductory remarks and then we can go right into questions and I will attempt to give you answers.

First, in giving this speech, the President wanted to signal to all those in the region and in the international community who are looking at events in the area today that responsible countries, led by the United States but not limited to us, have a role in affecting the balance between moderates and extremists in this part of the world. This is readily apparent to all of those of you who have been following the debate about Iraq, but it has also been crystallized in the military coup by Hamas in Gaza. There's a choice that lies before Palestinians now and there's a leadership among Palestinians willing to take the right course. So that's the context for the President putting his personal imprimatur and his commitment on trying to advance the situation between Palestinians and Israelis.

Second, the context is right in Palestinian terms, too. I think the situation in Gaza has led to a different and disturbing reality that the Palestinian political community is trying to cope with. And as I said, they have leaders who are now represented in the Palestinian government who are willing to take chances for peace. This is the best Palestinian government since the formation of the Palestinian Authority in 1994 and it is incumbent on those in the region and in the international community to support it because they are taking great risks and we need to be behind them.

In terms of the practical things announced in this speech and the work ahead, let me make a couple of observations. First, the President laid out and addressed a new, as he put it, financial commitment. I'd be happy to answer questions about that and give you some more of the details behind the President's words in that regard. The key thing here is the United States has always been a leader in providing support for Palestinians in financial terms and we think that just as we faced

the situation before Hamas took over the government, after the PLC elections early last year, now there's a moment in which we have to redirect and reinvigorate that support.

Second, we want to show how we would strengthen our political and diplomatic commitment. And there, the headline in the speech obviously is the President's call for an international meeting in the fall to bring the weight of the United States in the lead and others with us in support of getting at the negotiations that are necessary to build a Palestinian state.

We also want to signal with this speech a commitment to supporting the international effort in that regard. As you know, we've worked within the Quartet to give a new mandate to former Prime Minister Blair as an envoy to address some of the issues necessary in building Palestinian statehood. In any schematic of what would happen to get to a successful Israeli-Palestinian peace, which establishes a Palestinian state alongside Israel, it's necessary that Israelis have confidence in what's on the other side of that arrangement and that there should be not only a responsible Palestinian partner but institutions and a system that works.

So those are kind of the center -- the points I want to center your attention on. You notice that in the speech we also gave some mention to the principles that must be addressed in the negotiations. And this speech was not intended to negotiate things in advance or to get into the negotiations themselves, but the United States does have some views and we've laid out some of those ideas.

What will we do now? First, I think we'll back up the President's financial commitment with an effort to, with congressional agreement, bring American taxpayer dollars in support of these objectives. Second, as you know, the Secretary of State will be returning to the region along with Secretary Gates to work on broader regional issues, but also will devote her presence, again, to advancing the Israeli-Palestinian track. We will also, third, work on the international support element of this. We have a Quartet principals' meeting scheduled for Lisbon later this week and one of the things we expect to do at that meeting is welcome former Prime Minister Blair and launch him on his new mandate.

Okay, those are some introductory remarks and I'll take questions and I hope I'll give you answers.

**QUESTION:** Can you describe this conference in any greater detail: who you expect to attend and, sort of, you know, what -- anywhere and when? And with -- along with that, why now? Why talk about that now, some distance away from it?

**ASSISTANT SECRETARY WELCH:** Well, first, I would say that -- and I think you've heard this from me before -- we're trying to put together in synergy and in parallel three types of efforts here. One is a bilateral effort. There is no effort out there, conference meeting or otherwise, that can supplant Israeli-Palestinian direct face-to-face dialogue and ideally negotiations. So we have to support that and we are devoted to building that. Second, there is promise, based on the reiteration of the Arab Peace Initiative earlier this year, that there could be a regional component to this. And third, there is a great international interest in trying to advance on this part of the agenda for the region.

And an international meeting can serve to intersect these in a number of ways. As you see from what the President said, we're not trying to be too prescriptive about this right now. We just think that at some point it might be appropriate to sit there and take stock of where we are, having there people who agree on the foundational principles for peace. Those are pretty straightforward; folks that will support a two-state outcome, who reject violence and terror, who recognize that each side has a right to exist -- there should be a Palestinian state and of course there will be an Israeli state -- there is an Israeli state -- and that they commit to all the body of work that is the peace process.

You can't have such a meeting without Israelis and Palestinians, obviously, but we'd also hope to bring in others from the region. The Secretary would chair that. Now we have a lot of work to do to build toward that and I think that I wouldn't see that as the only focus of our effort. It would obviously be a great help and of great importance when it comes, but that means we have to do all these other things as well: work on the bilateral track, work with our Arab friends so that the regional support for moving forward in the bilateral track will be robust, and organize the international community to help build the institutions of Palestinian statehood.

**QUESTION:** How significant is it that you would have states that don't formally recognize Israel in the same room with Israel?

**ASSISTANT SECRETARY WELCH:** Well, it's very significant if we get to that point. It's been a long time since that happened. Some of the fora in which they were participating before in a reasonably public way, haven't met for some time. For example, the President mentioned the idea of a meeting of donor nations in the past. Those have happened, but they have fallen into a bit of disuse recently.

Again, I -- we believe that this is a moment for everybody to push the go button and try and make this work.

**QUESTION:** Do you have a breakdown of the 190 million? Is this new money, old money, reprogrammed money?

ASSISTANT SECRETARY WELCH: I can give you some more data on all of the figures. I presume you have the fact sheet from the White House, but if not, let's go into it. There's -- you know, we're the largest donors to UNRWA and our commitment to UNRWA is very substantial this year. By this year, I mean the '07 fiscal year, which is still running. We're providing around \$145 million to UNRWA and that's divided, roughly speaking -- by the way, that benefits only Palestinians, though, in several different places. That's divided roughly into 90 million for the regular UNRWA budget, 50 for part of an emergency appeal they've made, and as you recall, we also want to give a special amount to support Palestinians affected by the fighting in Nahar al Bared, about \$3.5 million there, so it's about 145 million of it.

There is another amount, 50 million, which is for Palestinian basic human needs, democracy, civil society, institution-building, private sector development. This is our traditional aid program and it does include some food commodities and others where there is special needs for Palestinian -- well, Palestinian population. Also, some support to infrastructure, especially water and sanitation. There is a considerable amount of assistance money in prior year pipeline, so what this is in reference to is

the current fiscal year -- not money out of the gate yet, but it's money that we haven't actually delivered. And it is in addition to the pipeline, which is very considerable.

The President also directed that there be a private sector component to this. And so we've announced an OPIC financing facility that could potentially generate over \$200 million in lending to small and medium enterprises. Then there is a smaller amount of food assistance. I've seen the figure as 190. I think that's, broadly speaking, accurate, but if you aggregated all these things, it might come to more than that. This is not including the 80 or so million the President referred to to support security reform. As you recall, we redirected that last year and part of it was to be used to support General Dayton's program. I think at one point, I briefed you on the 59 million of that. This time what we're going to do is put it together with the remainder that was sequestered from the holdover last year and devote all of it to security reform. We have to conclude an agreement with the Palestinians for this, which we expect to do shortly. It makes our job a lot easier that they have a new government, so the chain of command is a little bit more clear and the uses will be specified and we'll notify Congress in that respect. I believe that this can unfold very, very quickly.

Robin.

**QUESTION:** David, can I do a little bit of a reality check here? Do you have any indication from any Arab Government, besides Jordan and Egypt, that they are prepared to attend a meeting with Israel? Is there any -- given the tensions with several of our Arab allies over Iraq, key players like Saudi Arabia, have they indicated that they are prepared to take that important step? That's my first question.

**ASSISTANT SECRETARY WELCH:** Well, I think at the heart of the Arab initiative is a willingness to sit down and discuss comprehensive peace. And the question is how do you get to that point where you're actually sitting and talking about it. When the Arab themselves articulated how they would unfold their initiative, they built into it the idea of an international meeting.

Now, what we've said here today, the President has said, he's made a very important commitment to the United States to try and construct that in a way that will invite international and particularly regional support. Robin, that doesn't mean we have to answer every single one of these questions today. It will take work to get there. But that's our job and that's what he has directed the Secretary to do. And we wouldn't be launching ourselves on this enterprise if we didn't feel some confidence that there is a willingness in the region to embrace the path to peace. Again, that's at the heart of the Arab initiative and we take them at their word.

**QUESTION:** So to follow up --

### **ASSISTANT SECRETARY WELCH:** Charlie.

**QUESTION:** -- to follow up, David, you have or you have not sounded out these governments and signaled them that this is what the President's going to do and ask them for their support, whether they've given you a response or not?

ASSISTANT SECRETARY WELCH: Well, we have done quite a bit of work, been in touch with them before about what the ideas they might have are, for how to make an advance, we talked to them about our own ideas. And you can be sure that there are robust consultations behind this. Now, I don't know that there have been any Arab Government reactions yet. We'll just have to wait and see what they have to say. And again, let's remember that what we have here is a commitment by the United States that is -- the President went out and described what he would like to do. And our job is to try and put that together in a way that can invite the maximum of responsible participation and get at the goal he seeks, which is building toward two states.

**QUESTION:** And you -- is your intention to invite Syria to this meeting?

ASSISTANT SECRETARY WELCH: We haven't made any decision about who's in the fold and who's out of the fold. Just look at the way it's articulated in the speech. This requires people that embrace a two-state solution, reject violence and terror, recognize that an outcome is going to be there, that means that they would have to accept Israel exists and that there are agreements between the parties that are the foundational building blocks for peace. So that's the sort of principles that lie behind it. We'll have to see who comes forward to accept these.

**QUESTION:** Is the idea to have another Madrid?

**ASSISTANT SECRETARY WELCH:** Let's go --

**QUESTION:** Just one more.

**ASSISTANT SECRETARY WELCH:** I'm sure we'll come back to you, Robin. There's lots of hands in the back.

**QUESTION:** The President, in his remarks, used the word occupation to describe the Israeli presence in the West Bank. And while most people would say it is just a statement of fact, it is not a word that this Administration or, certainly, the President has used very often. I'm curious if that was a deliberate choice of words and whether it was meant as sort of a signal to the Palestinians of empathy or a signal to the Israelis, for that matter.

**ASSISTANT SECRETARY WELCH:** He's said it in the past and every word in these remarks is deliberately chosen.

**QUESTION:** And also, just to follow up on that, that -- you know, the U.S. -- like you said, the U.S. is obviously not going to mandate what -- the outcome of bilateral talks, but was looking forward to an agreement reflecting previous lines, new realities, and mutually agreed readjustments.

That mutually agreed readjustment seems to modify the tone of the April 14th, 2004 letter that -there was no topic of mutually agreed readjustments in that letter. And so the Israelis understood
that letter as reflecting a recognition of Ma'ale Adumim and various other areas near Jerusalem as
being part of a permanent Israeli state. Mutually agreed readjustments sounds as if it's taking that a
little bit further and saying that that'll come as part of an agreement in which there is an exchange of
land.

**ASSISTANT SECRETARY WELCH:** I wouldn't read it any more than what it says. In the April 14 letter, there was also a statement that this would have to be mutually agreed. And the President's words are not designed to change any of the commitments the United States has made previously, but to talk about the responsibilities people have and looking at how they arrive at that agreement.

Yes, sir.

**QUESTION:** Could you say whether, in your discussions and negotiations, you've had any talk about expanding or broadening the role and mandate that Tony Blair will play in this process --

## **ASSISTANT SECRETARY WELCH: Sure.**

**QUESTION:** -- and what role he might play in this regional meeting in the fall?

ASSISTANT SECRETARY WELCH: As some of you know, we've worked a little bit on getting this mandate constructed and started that conversation in -- within the Quartet and continued it with Mr. Blair himself. There is an easy understanding on what might be necessary and the idea is pretty straightforward. It's to give a focus and an energy to the idea that the international community should drive towards support for building the institutions Palestinians need, to have a responsible state in which people can have confidence. The big problem here on the Israeli side is that they're very unsure, for security reasons, what would lie on the other side. For Palestinians, they want to know if they have some hope and aspiration that will be realized.

Mr. Blair is, as you know, a man of great energy and vision and has a lot of experience in working in the area. He's quite excited about this new job and the mandate. He fully accepts that mandate. He participated in helping to shape it. It was agreed within the Quartet and I don't think there's any tension, frankly, in how it will be interpreted. He'll have a chance to talk about some of his ideas when we meet in Lisbon and he'll report regularly to the Quartet membership about how he's going forward in that regard. In Lisbon, we may have more to say about how -- the calendar for that, based upon what we hear from him.

**QUESTION:** What role do you expect him to play in the meeting in the fall and is there any talk of expanding or broadening that mandate?

ASSISTANT SECRETARY WELCH: There hasn't -- I've seen speculation in the press about, you know, expanding the mandate and will it have a political character, will he become the supra negotiator. I -- this -- I'm surprised by this commentary. It hasn't been a feature of our discussions about the mandate or within the Quartet so far. As to who will come in the fall, as I said, I mean, that's not predetermined. But I can imagine that he would be a welcome participant. And I don't know what his own plans are, to be honest with you. We've had some discussion of that, but he's been thinking it through and I would guess he'd have a more organized presentation for his first meeting with the Quartet this week and then thereafter -- probably in September.

Yes, sir.

**QUESTION:** There are two robust groups. One is Search for Common Ground, led by John and Susan Marks; the other group is the allianceforpeacebuilding.org. One of the groups just recently had Rabbi Dr. Mark Gopin of George Mason University and Dr. Nusseibeh who is the President of Al Quds University. Following that discussion, Dr. Nusseibeh went over to Carnegie and announced for the first time that the Palestinians should give up the right of return. Now, they're looking more for the business interests and what could these groups do and what should these groups do. Can they work in league with you to come to a full peace resolution of these conflicts?

ASSISTANT SECRETARY WELCH: Well, you were happy to have the input from citizens all the time, whether they're organized or not and particularly from Israelis and Palestinians, especially those who support peace and I know Dr. Nusseibeh does and I'm sure he's looking for ways in which he might make a contribution. But look, we deal with the positions of governments and our view here is with respect to issues like Palestinian refugees that should as an outcome of the negotiations process, be a Palestinian state, which would be a homeland for Palestinians. And we think of Israel as a homeland for Jews, as a Jewish state. That said, you know, I'm sure there'll be plenty of ideas out there and Lord knows, in my job, I'm bombarded with even news ones every day.

**QUESTION:** David, in the eyes of the United States Government, is the Israeli Government presently engaged in any activities that tend to impinge on final status negotiations?

**ASSISTANT SECRETARY WELCH:** Well, we always have a concern about settlement activity and illegal outposts. I think, you know, partly it is a concern that might prejudice the negotiations themselves, but also make more difficult getting to negotiations.

**QUESTION:** You've expressed those concerns to Israel for some time. Is it your observation that they are ignoring those expressions of concern?

**ASSISTANT SECRETARY WELCH:** No, I don't -- I wouldn't describe our dialogue in that manner. We do have a continuing concern about settlement activity and the illegal outposts and I think there's some reflection of that concern within the remarks the President made. We have a way of approaching the conversation with the Israelis, which we think makes -- increases the chances that our efforts will be productive. But these are important obligations. And just as we repeat for the Palestinian side its obligations under the roadmap, so it is important also to repeat those that are for Israel.

**QUESTION:** So is it fair to say that both sides are in continual ongoing default of those obligations?

**ASSISTANT SECRETARY WELCH:** Well, I like to be more positive and diplomatic about it. I would say they both have work to do.

**QUESTION:** Regarding the assistance for the security forces, the new pledge for 80 million will be added to the last pledge which was \$86 million or --

ASSISTANT SECRETARY WELCH: Not exactly. The pledge here is for over 80 million. Previously we had talked about 59; and that 59 is within the 80, so there's -- this is all still the same 80 million or so. But things have changed. It's not appropriate to spend money on certain security improvements in Gaza. So these will be redirected toward the West Bank. Also, there was a residual amount of about 27 million which we had not decided how to use.

So now we will go forward with the full -- I think it's 86 -- total, all devoted to security reform; expedite it as quickly as we possibly can, according to an agreement with the Palestinian Authority government; and we'll be able to use it for some things that honestly we had not been able to use it for before because of our concern about the recipients, the dangers in Gaza and the fact that under the previous government the Ministry of Interior was controlled by Hamas.

**QUESTION:** But no weapons (inaudible).

**ASSISTANT SECRETARY WELCH:** The United States does not provide lethal assistance; has not, and to the extent that it's needed, it will be done by others.

In the back.

**QUESTION:** Yes, sir. Sir, this issue has been going on too long and too many people have been killed, both sides, and terrorism is still going on. Hamas and Iranians are supporting terrorism against Israel and Iranian President called for wipe Israel off the map. What I'm asking is that, all those issues you think had been settled, as far as stopping the killings of innocent people there and do we see peace in the Middle East during our lifetime?

**QUESTION:** Assuming actuarial tables -- (Laughter.)

**ASSISTANT SECRETARY WELCH:** Of course. And will we wish it yesterday? Absolutely. But we're practical people and we're looking for every way we can build more urgently to having it as soon as possible.

**QUESTION:** And as far as this -- to follow on, I'm sorry -- as for this Iranian issue, you had been working with the Iranians diplomatically and behind the doors and all that. Have you reached anywhere, as far as the issues are concerned?

**ASSISTANT SECRETARY WELCH:** Well, I think most of your colleagues in this room probably would describe any effort with the Iranians a little less generously than that. Look, we wish that the Iranian Government would take a different approach to regional issues. They have every opportunity to do so. We're not unreasonable in what we're asking for. There's great support for it internationally and, you know, if they want to see their way clear to doing that, then we'll talk to them about it.

Janine, did you have a question?

**QUESTION:** Yes, I did. It strikes me that the President gave a speech and announced money that we already know about and a possible peace summit some time in the fall. We don't know who's

going to it. Can you talk about -- first of all, is there anything new in the speech because I didn't see anything? And secondly, how this whole layout relates to Condi's and Secretary Gate's trip on Iraq -- I mean, in trying to win support of Arab states for help in Iraq?

ASSISTANT SECRETARY WELCH: Let me start at the end there and work backwards. When we were thinking about what are the contributions that we can make to putting this foundation in place, one idea we had was, let's articulate the American position more clearly. We thought about it on the anniversary of the President's speech where he laid out the idea of two states, as you know, becoming the first American President -- the President to make that an object of policy. Because of events, that just wasn't the appropriate time to do it. There was a crisis within the Palestinian government, difficulties in Israel. The timing was not perfect. What we -- we picked the substance rather than the time and we fitted this substance in here.

You do not make a peace by a speech. This is a contribution to getting there. But you know it's not designed to answer all your questions to be quite candid with you. It's designed to signal the energy and focus of the United States. And yes, the Secretary is headed back to the region, this time with Secretary Gates, who will accompany -- they'll be together on part of the trip not necessarily all of it.

We had planned to be out there already. Again though, because of our workload here is pretty considerable and other issues intervened a little more quickly than some had expected, we postponed that a few days. This in my judgment and the judgment of other advisors of the President and the Secretary is what is going to be needed. American leadership is key. The President has put his stamp on this and signaled where he would like to go. And could it help in other regional developments? I'm not sure. Some of those have a dynamic of their own, but if it does that would be a good thing. It's not designed because of those other regional issues. It's designed to fit into our approach to the region as a whole.

Syvlie.

**QUESTION:** Yes, you told earlier --

**ASSISTANT SECRETARY WELCH:** Oh, excuse me, I forgot to mention one thing. In terms of financial commitment, you know, I know that there's a certain cynicism from the press when you look at are we just moving the money around. What for me is important is does it get out the gate and get to its destination and is the destination something important. We have not done a security reform program. The money is not out of the gate yet. But we are going to put a considerable sum behind that and get it out fast.

Second, there's been a great concern about the humanitarian needs of the Palestinian people especially in Gaza. We are going to address that. And in here, I think, if I'm correct, there is a sentence "We will work with Congress and partners around the world to provide additional resources once a plan to build Palestinian institutions is in place." That's a sentence that's redolent with promise in terms of new resources.

**QUESTION:** Meaning that you're forecasting future aid obviously?

**ASSISTANT SECRETARY WELCH:** I would like to see that happen. We'd like to see what Mr. Blair puts together and then we will organize ourselves here to support it.

**QUESTION:** What is new (inaudible), David. None of it (inaudible).

**ASSISTANT SECRETARY WELCH:** Well, no, that's not true. We have money in the pipeline which has not been spent, we have '07 money which ought to be spent, but has not yet been, and we are requesting '08 money. So there is a funding stream here and we're describing what we have in hand. We don't have an '08 budget bill yet, but you can see that it would likely go to the same sorts of purposes.

**QUESTION:** But was there any money that was announced today that wasn't also already allocated yesterday?

**ASSISTANT SECRETARY WELCH:** We are going to redirect substantial amounts of that. I don't know what you mean by allocated. None of it has actually arrived with the Palestinians yet.

**QUESTION:** Well, I mean, was it earmarked? Was there money -- you know, was there a pot of money yet -- is there any new money in the pot that wasn't in the pot yesterday?

**ASSISTANT SECRETARY WELCH:** Well, when we worked through this decision last year, we didn't have the '08 -- '07 budget yet. Now we have it, but we haven't spent it, so it's 50 million that's just sitting there. What you've looked at before are the amounts like the 86 million which were redirected after the Hamas election victory.

**QUESTION:** But that doesn't answer my question because I'm still confused. Is there any -- is there one dollar more that wasn't in a pot -- maybe it wasn't allocated --

**ASSISTANT SECRETARY WELCH:** There's no new appropriation, no, because we haven't received any.

**QUESTION:** No new appropriation.

**ASSISTANT SECRETARY WELCH:** We haven't received it.

**QUESTION:** What about --

**ASSISTANT SECRETARY WELCH:** We are seeking money in the '08 budget and we could conceivably seek additional resources as suggested in the speech.

Sylvie.

**QUESTION:** Yes, you said that when the President asked the Arab countries that didn't make peace with Israel yet, to send ministries -- ministers to Israel, why shouldn't -- should they do that today? What do you offer them in exchange?

**ASSISTANT SECRETARY WELCH:** Well, it's -- first of all, I think -- look, they themselves are interested in this issue and there are different opinions within the Arab world on it. There are some Arab countries that are willing to hold open meetings with Israeli officials right now, even though they are not in a relationship of peace. There are some who are not willing to have open meetings, but do have them anyways, and there are some that don't have any at all.

When the Arab League took its peace initiative decision, it signaled that there is a willingness for peace on the Arab side. And in Cairo, in following up that decision, they offered some ideas about how that might unfold. They asked for a team to meet with Israel and gave that job to Egypt and Jordan which, granted, had peace treaties with Israel, but they were mandated to pursue it and I would expect you will see them continue to do that, including in the very, very near future.

They also signaled that if there were certain confidence-building steps by Israel, that the Arab side would be willing to change the participation in those discussions. I mean, that's a decision up to them. What we feel is that regardless, it would support the move to peace if they were to undertake those steps now. And if one of the things that would help get there is the idea that there would be an international meeting to discuss how we all get together and help this process, then that -- what the President has put on the table, I think, is a very important and positive step in that regard and we hope they greet it that way.

**QUESTION:** Going back to the issue of finances, how much of that money is going to be routed through Abu Mazen and through -- direct? Even before Hamas election, most of our aid went through group; it was not directly funding the Palestinian --

**ASSISTANT SECRETARY WELCH:** That's a very good question, you're absolutely right. Traditionally --

**QUESTION:** Can you talk about the significance of that?

**ASSISTANT SECRETARY WELCH:** Traditionally, we have not provided direct support or assistance to the Palestinian Authority Government. There have been a couple of very limited exceptions in the distant past to that. In this case, the President has given two significant changes of course. One is he announced today that this will be a direct contribution. As I said, we --

**QUESTION:** How much?

**ASSISTANT SECRETARY WELCH:** He said \$80 million.

**QUESTION:** The whole thing?

**ASSISTANT SECRETARY WELCH:** Yes, exactly. And what we'll do is we will conclude an agreement with the Palestinian Authority Government under Prime Minister Fayyad as to how that is to how that is to be used. It's going to be devoted to security reform, but we still are going to be specific in how it's -- it is apportioned and used.

The second thing that's significant about that is -- as I said earlier, we haven't been in the business of funding security reform. Until the decision was made a few weeks ago to help in this regard, the United States had -- was basically a coordinator for the assistance of others. So this, in my judgment, is a very considerable sum. And if you take a look at the program of the new government under Prime Minister Fayyad, since it has such a heavy security component up front and that's so important to the roadmap obligations of the Palestinians, I think this is a really fundamental policy decision.

**MS. RESIDE:** Thank you very much.

**QUESTION:** Can I just follow-up on one last thing on --

**QUESTION:** Take down your hand. (Laughter.)

**QUESTION:** I know you said -- sorry.

**ASSISTANT SECRETARY WELCH:** Sure.

**QUESTION:** You said you haven't made any decisions about who's in the fold and who's not in the fold for this conference, but --

**ASSISTANT SECRETARY WELCH:** And it is not our decision entirely to make.

**QUESTION:** Well, I wonder if you expect or will be encouraging the attendance of the other two U.S.-backed democracies of Iraq and Lebanon.

**ASSISTANT SECRETARY WELCH:** I don't think the door is closed to any responsible country in the region.

**QUESTION:** Do you want this to be like Madrid all over again? Do you want another Madrid that was designed --

**ASSISTANT SECRETARY WELCH:** Look at what we said very carefully.

**OUESTION:** It sounds like it's another Madrid.

**ASSISTANT SECRETARY WELCH:** But it is -- it's written as it is. As one of your colleagues asked, was this a deliberate choice of words? Yes, it's a deliberate choice of words. Thank you.

**QUESTION:** Thank you, David.